

**DRAFT**

**SECOND AMENDMENT TO SERVICE AGREEMENT  
BETWEEN THE CITY OF SUNNYVALE AND CAPORICCI & LARSON, CPAs  
FOR FINANCIAL AUDITING SERVICES**

This Second Amendment to Service Agreement, dated \_\_\_\_\_, is by and between the CITY OF SUNNYVALE, a municipal corporation ("CITY") and CAPORICCI & LARSON, CPAs ("AUDITOR").

WHEREAS, on May 15, 2001, CITY and AUDITOR (then known as Caporicci, Cropper & Larson, LLP) entered into a Service Agreement whereby AUDITOR would perform professional financial auditing services; and

WHEREAS, on December 13, 2002, CITY and AUDITOR agreed to amend the Agreement to reflect a change in AUDITOR's partnership from Caporicci, Cropper & Larson, LLP, to Caporicci & Larson, CPAs; and

WHEREAS, the parties now agree that a Second Amendment to said Agreement is advisable;

NOW, THEREFORE, THE PARTIES ENTER INTO THIS SECOND AMENDMENT TO SERVICE AGREEMENT:

Section 2. Time for Performance: Delete section and replace it with the following;

The term of this Agreement shall be in force up to and until AUDITOR completes all services required for the fiscal year ending June 30, 2006, unless otherwise terminated.

Exhibit B. Compensation: Delete exhibit in its entirety and replace it with Amended Exhibit "B" attached and incorporated by reference.

All other terms and conditions remain unchanged.

IN WITNESS WHEREOF, the parties have executed this Second Agreement Amendment.

ATTEST:

CITY OF SUNNYVALE ("CITY")

By \_\_\_\_\_  
City Clerk

By \_\_\_\_\_  
City Manager

APPROVED AS TO FORM:

CAPORICCI & LARSON, CPAs  
("AUDITOR")

By \_\_\_\_\_  
City Attorney

By \_\_\_\_\_  
\_\_\_\_\_  
Name and Title

**AMENDED EXHIBIT "B"**  
**COMPENSATION**

Total Professional Fees per Contract Year

Total professional fees to perform the required audit services are:

For the year ending June 30, 2001	\$ 75,750.00
For the year ending June 30, 2002	\$ 76,760.00
For the year ending June 30, 2003	\$ 77,605.00
For the year ending June 30, 2004	\$ 77,605.00
For the year ending June 30, 2005	\$ 77,975.00
For the year ending June 30, 2006	\$ 77,975.00

Hourly Rates for Additional Services

	<u>2000-01</u>	<u>2001-02</u>	<u>2002-03</u>	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
Partners	\$135.00	\$135.00	\$140.00	\$140.00	\$145.00	\$145.00
Managers	\$105.00	\$105.00	\$120.00	\$120.00	\$120.00	\$120.00
Supervisors	\$ 95.00	\$ 95.00	\$105.00	\$105.00	\$105.00	\$105.00
Professional Staff	\$ 60.00	\$ 60.00	\$ 60.00	\$ 60.00	\$ 60.00	\$ 60.00
Administrative Staff	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00

Progress Payments

Progress payments will be made on the basis of hours of work completed during the course of the engagement. Interim billing shall cover a period of not less than a calendar month. Payment will be made within thirty (30) days of receipt of an accurate, itemized invoice by CITY's Accounts Payable Unit.